### A reminder on bill prices





#### How a typical electricity bill is made up:



### Industry definition of reliability





Reliability (power cuts) and availability (time without power) are the two key industry measures of service performance.

Our network is generally very reliable with an overall availability of 99.99%

The main measures of our success in this area are the number of supply interruptions that last over three minutes and the length of those interruptions.

This is measured in units known as Customer Interruptions (CI) and Customer minutes Lost (CmL).

The interruptions measure, CI, is the total number of individual interruptions that an average group of 100 customers suffers in a year.

The restoration measure, CmL, represents the average number of minutes that a customer will be off supply in a year.



In 2014/15, the average number of interruptions per 100 customers (Cls) in the North West was 36.6. This is equivalent to <u>each customer</u> having <u>1 power cut every 3 years</u>. This beats the year's target (set by Ofgem) of 52.2 ie <u>1.5 power cuts</u>, <u>per customer</u>, <u>every 3 years</u>.

For those who did experience a fault, power was restored in an average of <u>35 minutes</u> compared to <u>43 minutes</u> the year before, beating the target set by Ofgem of <u>55.6 minutes</u>.

Which of the following do you think should be Electricity North West's **most important priority** for the next few years (i.e. 2016 – 2020)?





Option	Description
Α	The priority is to keep customer bills constant (no increases/no decreases) and maintain the current level of reliability
В	The priority is to ensure that all customers receive the same level of reliability
С	The priority is to focus on worst areas of reliability and improve these
D	The priority is to improve reliability levels where the benefits to customers outweigh costs

#### **SHOWCARD E**

Service attribute	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7
Type of interruption to your electricity supply	Planned	Unplanned					
Advance warning of an interruption to your electricity supply	14 days notice (Planned)	7 days notice (Planned)	48 hours notice (Planned)	Less than 24 hours notice (Unplanned) Urgent situations where Imited notice is possible	No notice (Unplanned) Faults and emergency situations		
Frequency of interruption to your electricity supply	No interruptions in a three year period	1 interruption in a three year period	2-3 interruptions in a three year period	4-6 interruptions in a three year period	7-14 interruptions in a three year period	15 or more interruptions in a three year period	
Duration of interruption to your electricity supply	Up to 3 minutes	1 hour	4 hours	6 hours	12 hours		
Time of day	Early morning peak (6:30am - 9:00am)	Day time (9:00am- 4:00pm)	Peak (4:00pm- 9:00pm)	Late evening (9:00pm to midnight)	Off-peak midnight to 6:30am		
Day of week	Weekday (work day)	Weekend (non-work day)	Bank Holiday				
Level of additional assistance for vulnerable customers	Home visits -     'customer     champions' to     provide home visits     and offer help and     advice at any stage	Welfare packs - made up of items which can help you cope without power and might include items such as blankets, hand warmers, baby bottle warmers, hot flasks, analogue telephones, battery powered candles and wind up torches	Generation - If you rely on electricity for medical equipment or have other needs, we may be able to provide a partial supply to keep essential equipment and appliances running and keep your lights on.	Deployment of a mobile catering van to provide hot food and drinks.	Provision of a mobile unit parked locally to charge mobile phones and tablet devices	None	
Communication channels through which notification and information on the interruption can be <b>proactively</b> given	Nominated contact - You can nominate a friend or family member to receive updates on your behalf or in addition to you	Phone call(s) made directly to you by the Electricity North West call centre	Short message service (SMS) sent to your mobile phone	Automated text-to- speech updates sent to your phone	Social media (Twitter, Facebook etc.)	Public address/tannoy system	No proactive updates
Quality of information provided	A justified reason for the interruption to your power supply	Confirmation of when the power is expected to be restored	Number of properties affected by the fault	Advice on what to do during a power cut (e.g. what to do about alarms, freezers, specific equipment)	Confirmation that power has been restored	No information provided	

#### Bill considerations





Before making your choices please consider; whether the changes in the services are important to you; and your overall household income & expenses, remembering that:

- There are other aspects of electricity services that could be improved and may increase bills
- Any money you pay for these improvements will not be available for you to spend elsewhere
- Other household bills may go up or down affecting the amount of money you have to spend in general
- Your household bills including for your electricity services will also be affected by the rate of inflation each year

Please consider your choice carefully. The results from this survey will be used by Electricity North West to help plan future investment in electricity services. It is therefore important that your answers reflect as best possible your views on these services and whether they need improving.

# Survey example; which option would you rather accept?



♣SHOWCARD G (1)

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	Option A	Option B	
Type of interruption to your electricity supply:	Planned	Planned	
Advance warning of an interruption to your electricity supply:	48 hours notice	14 days notice	
Duration of interruption to your electricity supply:	6 hours	12 hours	
At this time of the day:	Day time (9:00am- 4:00pm)	Day time (9:00am- 4:00pm)	
Quality of information provided	No information provided	Confirmation that power has been restored	
The one-off amount you are offered for this happening:	£10	£1	

Please choose the option you prefer:

Option A

Option B

Don't know

# Survey example; which option would you rather <u>pay</u> to avoid happening?



	Option A	Option B
Type of interruption to your electricity supply:	Unplanned	Unplanned
Duration of interruption to your electricity supply:	6 hours	Up to 3 minutes
At this time of the day:	Peak (3pm to 9pm)	Day time (9:00am-4:00pm)
Day of week:	Weekday (work day)	Weekend/bank holiday
Level of additional assistance for vulnerable customers:	Deployment of a mobile catering van to provide hot food and drinks	None
The one-off payment you pay to avoid this happening:	£15	£1

Please choose the option you prefer:

Option A

Option B

Don't know

## Price adjustments





Option	Domestic	Commercial
Willingness to pay: one-off payment	£1	1% of annual bill
	£5	5% of annual bill
	£10	10% of annual bill
	£15	15% of annual bill
Willingness to accept: one-off payment	£1	1% of annual bill
	£5	5% of annual bill
	£10	10% of annual bill
	£15	15% of annual bill

#### A low carbon future





The Climate Change Act 2008 asks the UK to reduce greenhouse gas emissions by 80% by 2050. This will mean that we have to burn fewer fossil fuels.

At the same time significant increases in total energy distributed and in the peak demand for electricity is anticipated because:

- Homes are likely to be heated by electricity instead of gas; and
- Cars will be electric rather than petrol fuelled

Electric cars need re-charging regularly. An 80-mile drive uses about the same amount of electricity that an average house uses in one day.

Instead of petrol stations, charging points will be needed at homes, offices, supermarkets and other public areas.





